

## GENERAL INSTRUCTIONS

1. Line and column references are used throughout the instructions to point to specific pieces of information. Lines are identified by numbers, and column references can easily be determined by counting the number of columns from left to right.
2. The case name and case number must be identified at the top of each page of the Monthly Operating Report.
3. For the schedules at MOR-1, MOR-2, MOR-3 and MOR-4, there are three columns titled "Month." The first "Month" column should be used to report information for the first month of the calendar quarter; the second for the second month of the calendar quarter; and the third for the third month of the calendar quarter.

Also, at MOR-2 and MOR-3 there is a column titled "Quarter Total." This column should be completed only at the last month of the calendar quarter. Its value will be the sum of the monthly amounts added horizontally by line. If the filing of the bankruptcy occurred in either the second or third month of the calendar quarter, this column may only be the sum of the second and/or third months, as the first "month" column would not have been completed.

4. Cross-references are between corresponding reporting periods, unless otherwise noted.
5. All negative amounts must be shown in brackets.
6. All questions and schedules must be read carefully, and any questions should be discussed with counsel for the debtor.

## COVER/SIGNATURE PAGE

The cover/signature page (MOR) for the Monthly Operating Report must accompany each month's submission. The form requires the signature of the person having responsibility for the chapter 11 filing (e.g., in a corporate case, the president or chief operating officer; in a limited partnership, the general partner), as well as the signature of the preparer (if other than the responsible party). The preparer may be an employee of the debtor, such as a chief financial officer, or a non-employee, such as an outside accountant. Both the responsible party and the preparer sign the report under penalty of perjury.

## **MOR-1, COMPARATIVE BALANCE SHEET**

The Comparative Balance Sheet presents a "snap shot" of the assets and liabilities of the debtor in possession at a specific point in time. It must be prepared utilizing the accrual basis of accounting. Asset values appearing in column #2, Schedule Amount, should agree with values appearing on the Schedules of Assets and Liabilities filed with the Bankruptcy Court. In the "Month" columns, the asset values should be listed at book value, rather than current market or replacement values. Thus, to the extent that the Schedules were prepared on some valuation other than book value, the amounts in the "Schedule Amount" column might not be comparable to the amounts reported in the "Month" columns.

**NOTE:** Column 2, Schedule Amount, should remain the same for each monthly report.

### **ASSETS**

For Lines 1 through 9, do not include short term (due in less than one year) amounts due from insiders of the debtor, as such amounts should be included on Line 13.

#### **Line 1 - Unrestricted Cash**

Enter the amount of cash available at the end of the reporting period that is not subject to any legal limitations and that is available to fund current operations. This should include cash on hand, petty cash and cash in registers, as well as cash in bank accounts.

#### **Line 2 - Restricted Cash**

Enter the amount of cash that is considered restricted and not available to fund current operations. An example of restricted cash is funds held by the debtor in an escrow account from the sale of assets, with further disbursements available only upon court order.

#### **Line 3 - Total Cash**

**SUBTOTAL:** Add Line 1 and Line 2 and enter the sum. This amount should agree with the amount shown on MOR-3, Line 33; and MOR-5, Line 14.

**Line 4 - Accounts Receivable (Net)**

Enter the net amount as determined by deducting the allowance for uncollectible accounts receivable from the gross amount of accounts receivable, both prepetition and postpetition. This amount should agree with the amount shown in the Accounts Receivable Aging schedule at MOR-4, Line 7. Do not include notes receivable, as such amounts should be reported on Line 6.

**Line 5 - Inventory**

Enter the value of inventory using the book value at the end of the reporting period.

**Line 6 - Notes Receivable**

Enter the amount of all short term notes receivable which are due to the debtor within one year. Do not include long term notes receivable, as such amounts should be reported on Line 15.

**Line 7 - Prepaid Expenses**

Enter the amount of expenses paid in advance of actual service. Examples include prepayment of insurance and retainers for professional services.

**Line 8 - Other (Attach List)**

Enter the amount of any other current assets. Attach an itemized list.

**Line 9 - Total Current Assets**

TOTAL: Add Lines 3 through 8 and enter the sum.

**Line 10 - Property, Plant & Equipment**

Enter the gross amount of property, plant and equipment, including real estate, furniture, fixtures, manufacturing equipment, buildings, automobiles and trucks. These items should be valued at historical cost, not current market value.

**Line 11 - Less: Accumulated Depreciation/Depletion**

Enter the amount of the accumulated depreciation/depletion taken on the assets included on Line 10. Enter the amount used for financial reporting purposes, as opposed to the amount used for tax purposes, as a negative.

**Line 12 – Net Property, Plant & Equipment**

SUBTOTAL: Subtract Line 11 from Line 10 and enter the amount.

**Line 13 – Due From Insiders**

Enter the amount, both short and long term, which is due from insiders of the debtor.  
Note: The short term (due in less than one year) portion of this amount should have been excluded from the current assets section (Lines 1–9) and reported only in this section. "Insiders" is defined in Section 101(31)(A)–(F) of the U.S. Bankruptcy Code.

**Line 14 – Other Assets – Net of Amortization (Attach List)**

Enter the value of all other assets not included in any of the above entries, which are being amortized. Examples include goodwill, syndication costs and patents. Attach an itemized list.

**Line 15 – Other (Attach List)**

Enter the value of all other assets not included in any of the above entries. Attach an itemized list.

**Line 16 – Total Assets**

TOTAL: Add Line 9 and Lines 12 through 15 and enter the sum. \_\_\_\_\_

**POSTPETITION LIABILITIES**

NOTE: Do not enter any amounts in Column 2, Schedule Amount, for Lines 17–23.

**Line 17 – Accounts Payable**

Enter the month ending balance of accounts payable that were incurred after the date of the bankruptcy filing. This amount should agree with the amount shown on the Aging of Postpetition Taxes and Payables schedule at MOR–4, Line 6, Column 6.

**Line 18 – Taxes Payable**

Enter the month ending balance of all taxes payable that were incurred after the date of the bankruptcy filing. Further itemization for taxes payable is required on MOR-4. The amount reported here should agree with the amount reported on the Aging of Postpetition Taxes and Payables schedule at MOR-4, Line 5, Column 6; and on the Status of Postpetition Taxes schedule at MOR-4, Line 16, Column 5.

**Line 19 – Notes Payable**

Enter the amount of indebtedness which is in the form of written promissory notes and which was acquired after the date of the bankruptcy filing that is outstanding as of the end of the reporting period.

**Line 20 – Professional Fees**

Enter the amount of professional fees incurred after the date of the bankruptcy filing, but which remain outstanding as of the end of the reporting period. This will, in most cases, require estimates by the debtor. Include all accrued professional fees, regardless of whether fee applications have been filed with the court. The amount reported here should agree with the amount reported on the Payments to Professionals schedule at MOR-6, Line 6, Column 6.

**Line 21 – Secured Debt**

Enter the amount of secured debt obligations incurred after the date of the bankruptcy filing, but which remain outstanding as of the end of the reporting period.

**Line 22 – Other (Attach List)**

Enter the amount of other accrued liabilities incurred after the date of the bankruptcy filing which were not included in any of the above entries. Attach an itemized list. Examples include accrued payroll and accrued interest.

**Line 23 – Total Postpetition Liabilities**

SUBTOTAL: Add Lines 17 through 22 and enter the sum.

**PREPETITION LIABILITIES****Line 24 – Secured Debt**

Enter the amount of all prepetition secured debts which remain due and outstanding as of the end of the reporting period.

**Line 25 – Priority Debt**

Enter the amount of all prepetition priority debts which remain outstanding as of the end of the reporting period.

**Line 26 – Unsecured Debt**

Enter the amount of all prepetition unsecured debts which remain outstanding as of the end of the reporting period.

**Line 27 – Other (Attach List)**

Enter the amount of other prepetition debts which remain outstanding as of the end of the reporting period and which were not included in any of the above entries.

**Line 28 – Total Prepetition Liabilities**

SUBTOTAL: Add Lines 24 through 27 and enter the sum.

**Line 29 – Total Liabilities**

TOTAL: Add Line 23 and Line 28 and enter the sum.

**EQUITY**

NOTE: Do not enter any amounts in Column 2, Schedule Amount, Lines 30–34.

**Line 30 – Prepetition Owners' Equity**

Enter the amount of prepetition owners' equity as of the filing date. This amount should remain the same for each reporting period.

**Line 31 – Postpetition Cumulative Profit or (Loss)**

Enter the amount of cumulative profit or loss from the filing date through the end of the reporting period. This amount should agree with the cumulative amount shown on MOR-2, Line 28, since the filing of the bankruptcy.

**Line 32 – Direct Charges to Equity (Attach Explanation)**

Enter the amount of items not included in the profits or losses reported on Line 31. Attach an explanation for each amount included in this total.

**Line 33 - Total Equity**

TOTAL: Add Lines 30 through 32 and enter the sum.

**Line 34 - Total Liabilities & Owners' Equity**

TOTAL: Add Line 29 and Line 33 and enter the sum.

**MOR-2, INCOME STATEMENT**

The Income Statement reflects actual operating results for the period covered by the report. Only postpetition information is to be included. Thus, if the filing occurs mid-month, this form should include information only from the date of the filing to the end of that month. This form must be prepared utilizing the accrual basis of accounting.

**REVENUES**

**Line 1 - Gross Revenues**

Enter the amount of gross sales for the reporting period.

**Line 2 - Less: Returns & Discounts**

Enter the amount of such items as returned sales, rebates and allowances from the sales price. This is a negative number and should be shown in brackets.

**Line 3 - Net Revenue**

SUBTOTAL: Subtract Line 2 from Line 1 and enter the amount.

## **COST OF GOODS SOLD**

If the debtor engages in a business in which the production, purchase or sale of merchandise is an income producing factor, enter the costs for producing the products on Lines 4, 5 and 6. Do not include indirect costs, as such amounts should be included on Lines 9 through 13. Also, do not include depreciation/depletion or amortization, as such amounts should be reported on Lines 19 and 20, respectively.

### **Line 4 – Material**

Enter the material costs directly related to the costs of goods sold.

### **Line 5 – Direct Labor**

Enter the labor costs directly related to the costs of goods sold.

### **Line 6 – Direct Overhead**

Enter the overhead costs directly related to the costs of goods sold.

### **Line 7 – Total Cost of Goods Sold**

SUBTOTAL: Add Lines 4 through 6 and enter the sum.

### **Line 8 – Gross Profit**

TOTAL: Subtract Line 7 from Line 3 and enter the amount.

## **OPERATING EXPENSES**

### **Line 9 – Officer/Insider Compensation**

Enter the amount of compensation pertaining to individuals identified as officers or insiders, as defined in §101(31)(A)–(F) of the U.S. Bankruptcy Code.

### **Line 10 – Selling & Marketing**

Enter the operating costs incurred for the selling and marketing of the product(s). Examples include sales commissions, advertising and other administrative costs relating to sales and marketing.



**Line 11 – General & Administrative**

Enter the operating costs, other than the cost of goods sold and other than costs incurred for selling and marketing. Examples include office support staff payroll, office supplies and utility costs unrelated to production.

**Line 12 – Rent & Lease**

Enter the aggregate costs for renting and leasing both real and personal property. Examples include costs for leasing the facility or specific pieces of equipment and auto leases.

**Line 13 – Other (Attach List)**

Enter the amount of other operating costs which were not included in any of the above entries. Attach an itemized list.

**Line 14 – Total Operating Expenses**

SUBTOTAL: Add Lines 9 through 13 and enter the sum.

**Line 15 – Income Before Non-Operating Income & Expense**

TOTAL: Subtract Line 14 from Line 8 and enter the amount.

**OTHER INCOME & EXPENSES**

**Line 16 – Non-Operating Income (Attach List)**

Enter the amount of non-operating income earned for the period. Examples include interest and gains from sales of assets. Gain or loss is calculated by the difference in the net proceeds less the net book value (or original purchase price less accumulated depreciation) of the asset sold. Attach an itemized list.

**NOTE:** Court approval is required before any estate asset can be sold outside the ordinary course of operations. Any questions concerning this requirement should be discussed with counsel. An itemized list of the assets, the dollar amount of the sale and the date of the court order authorizing the sale must be attached.

**Line 17 – Non-Operating Expense (Attach List)**

Enter the amount of non-operating expenses, excluding interest, incurred during the reporting period. Attach an itemized list.

**Line 18 – Interest Expense**

Enter the amount of interest expense incurred during the reporting period.

**Line 19 – Depreciation/Depletion**

Enter the amount of depreciation or depletion allocable to the reporting period.

**Line 20 – Amortization**

Enter the amount of amortization allocable to the reporting period.

**Line 21 – Other (Attach List)**

Enter the net gain (loss) from other non-operating income or expenses which were not included in any of the above entries. Attach an itemized list.

**Line 22 – Net Other Income & Expenses**

**SUBTOTAL:** Compute the sum of Lines 16 through 21, adding positive numbers and subtracting negative numbers, and enter the amount.

**REORGANIZATION EXPENSES**

**Line 23 – Professional Fees**

Enter the amount of professional fees incurred during the reporting period. Include all fees accrued, whether or not they have been submitted to and/or approved by the court. The debtor will, in most instances, be required to make estimates when completing this line.

**Line 24 – U.S. Trustee Fees**

Enter the amount of quarterly fees accrued during the reporting period.

**Line 25 - Other (Attach List)**

Enter the amount of other expenses incurred which are directly attributable to the bankruptcy proceedings. Examples include the rejection of executory contracts, lease terminations, losses from discontinued operation, filing fees and consulting fees for non-professionals. Attach an itemized list.

**Line 26 - Total Reorganization Expenses**

SUBTOTAL: Add Lines 23 through 25 and enter the sum.

**Line 27 - Income Tax**

Enter the amount of accrued income tax expense or benefit for the reporting period.

**Line 28 - Net Profit (Loss)**

TOTAL: Subtract the sum of Line 26 and Line 27 from the sum of Line 15 and Line 22, and enter the amount.

**MOR-3, CASH RECEIPTS AND DISBURSEMENTS**

The Cash Receipts and Disbursements schedule reflects cash flow for the period covered by the report. It must be prepared utilizing the cash basis of accounting. Thus, the total cash as of the beginning of the month (Line 1) and as of the end of the month (Line 33) should reconcile to the cash reported on the Comparative Balance Sheet, MOR-1, Line 3; and to the Bank Reconciliations schedule, MOR-5, Line 14.

**Line 1 - Cash - Beginning of Month**

Enter the amount of cash at the beginning of the reporting period. The amount reported here should agree with the amount reported for the prior month at MOR-1, Line 3.

**RECEIPTS FROM OPERATIONS**

**Line 2 - Cash Sales**

Enter the amount of cash receipts collected from new sales during the reporting period.

## **COLLECTION OF ACCOUNTS RECEIVABLE**

### **Line 3 – Prepetition**

Enter the amount of cash receipts collected during the reporting period from receivables which arose prior to the petition filing date.

### **Line 4 – Postpetition**

Enter the amount of cash receipts collected during the reporting period from receivables which arose after the petition filing date.

### **Line 5 – Total Operating Receipts**

SUBTOTAL: Add Lines 2 through 4 and enter the sum.

## **NON-OPERATING RECEIPTS**

### **Line 6 – Loans & Advances (Attach List)**

Enter the amount of cash received from all loans and advances during the reporting period. Attach an itemized list. Include any amounts received from insiders.

### **Line 7 – Sale of Assets**

Enter the amount of cash receipts received during the reporting period that were generated from the sale of assets outside the ordinary course of business.

**NOTE:** Court approval is required before any estate asset can be sold outside the ordinary course of operations. Any questions concerning this requirement should be discussed with counsel.

### **Line 8 – Other (Attach List)**

Enter the amount of all other cash receipts which were not included in any of the above entries. Examples include interest actually received, royalty payments and refunds/rebates on insurance policies.

### **Line 9 – Total Non-Operating Receipts**

SUBTOTAL: Add Lines 6 through 8 and enter the sum.

**Line 10 - Total Receipts**

SUBTOTAL: Add Line 5 and Line 9 and enter the sum.

**Line 11 - Total Cash Available**

SUBTOTAL: Add Line 1 and Line 10 and enter the sum.

**OPERATING DISBURSEMENTS**

**Lines 12-25**

Enter the amount of cash disbursements made during the reporting period, as categorized by the appropriate line items. Enter only the actual amounts paid, not the amount of accrued expenses.

**Line 12 - Net Payroll**

Enter the amount of gross payroll minus all deductions. This equals the net amount actually paid to employees.

**Line 13 - Payroll Taxes Paid**

and

**Line 14 - Sales, Use & Other Taxes Paid**

The sum of the amounts listed on Lines 13 and 14 should equal the amount reported on the Status of Postpetition Taxes schedule at MOR-4, Line 16, Column 4.

**Line 15 - Secured/Rental/Leases**

Enter the aggregate amount of payments made to secured creditors (including adequate protection payments) and payments on all leases, for both personal and real property.

**NOTE:** This amount is itemized on the Postpetition Status of Secured Notes, Leases Payable and Adequate Protection Payments schedule at MOR-6, and should agree with the amount shown on Line 6, Column 3, of that form.

**Line 25 - Other (Attach List)**

Enter the amount of other cash disbursements which were not included in any of the above entries. Attach an itemized list.

**Line 26 - Total Operating Disbursements**

SUBTOTAL: Add Lines 12 through 25 and enter the sum.

**REORGANIZATION EXPENSES**

**Line 27 - Professional Fees**

Enter the aggregate amount paid (including fees and expenses) during the reporting period for the services of professionals, including work for legal services, accounting services, brokerage/auctioneer services, consulting services, etc.

NOTE: This amount is itemized on the Payments to Professionals schedule at MOR-6, and should agree with the amount reported on Line 6, Column 4, of that form.

**Line 28 - U.S. Trustee Fees**

Enter the amount paid to the U.S. Trustee for the statutory chapter 11 quarterly fees.

**Line 29 - Other (Attach List)**

Enter the amount of all other expenses paid during the reporting period which were directly attributable to the bankruptcy proceeding and which were not included in any of the above entries.

**Line 30 - Total Reorganization Expenses**

SUBTOTAL: Add Lines 27 through 29 and enter the sum.

**Line 31 - Total Disbursements**

SUBTOTAL: Add Line 26 and Line 30 and enter the sum.

**Line 32 - Net Cash Flow**

SUBTOTAL: Subtract Line 31 from Line 10 and enter the amount.

**Line 33 - Cash - End of Month**

**TOTAL:** Subtract Line 31 from Line 11 and enter the amount. This amount should agree with the amount reported on MOR-1, Line 3.

**MOR-4, ACCOUNTS RECEIVABLE AGING,  
AGING OF POSTPETITION TAXES AND PAYABLES  
AND STATUS OF POSTPETITION TAXES**

**ACCOUNTS RECEIVABLE AGING**

This schedule should account for all receivables, including both prepetition and postpetition amounts.

**Lines 1 through 4**

Enter the gross amounts of receivables which came due in the respective time frames listed.

**Line 5 - Total Accounts Receivable**

**SUBTOTAL:** Add Lines 1 through 4 and enter the sum.

**Line 6 - Amount Considered Uncollectible**

Enter the amount of receivables considered uncollectible.

**Line 7 - Accounts Receivable (Net)**

**TOTAL:** Subtract Line 6 from Line 5 and enter the amount. This amount should agree with the amount reported on MOR-1, Line 4.

## **AGING OF POSTPETITION TAXES AND PAYABLES**

This schedule provides an itemization and aging of postpetition taxes, as well as an aging schedule of postpetition accounts payable. The information requested is self-explanatory.

### **Line 5 – Total Taxes Payable**

**TOTAL:** Add Lines 1 through 4 and enter the sum for each column. The amount reported in Column 6 should agree with the amount reported on MOR-1, Line 18.

### **Line 6 – Accounts Payable**

The amount reported in Column 6 should agree with the amount reported on MOR-1, Line 17.

## **STATUS OF POSTPETITION TAXES**

This schedule details the status of postpetition taxes. Specifically, the form contains five columns designed to show the changes in each of the various tax liabilities during the reporting period. The Ending Tax Liability, Column 5, is calculated as follows:

$$(\text{Beginning Tax Liability} + \text{Amounts Withheld and/or Accrued}) - (\text{Amount Paid}) = \text{Ending Tax Liability}$$

The information requested otherwise is self-explanatory. The Total Ending Tax Liability (Line 16, Column 5) should agree with the amount reported on MOR-1, Line 18. The Total Amount Paid (Line 16, Column 4) should agree with the sum of Line 13 and Line 14, MOR-3.

## **MOR-5, BANK RECONCILIATIONS, INVESTMENT ACCOUNTS AND CASH**

The Bank Reconciliations schedule reconciles all bank accounts, comparing the amounts reported on the monthly bank statements to the amounts reflected in the debtor's books. This schedule has columns for three separate bank accounts (Columns 2, 3 and 4), as well as a column for the total of all accounts (Column 5). Additional copies of this form



should be used if the debtor has more than three bank accounts. Lines A, B and C should identify the name of the bank, the account number and the purpose or type of account (e.g., operating account, payroll, tax, etc.). The line item requests are self-explanatory.

The Investment Accounts schedule reflects all investment accounts held by the debtor. Up to four accounts can be reported on this schedule; additional copies of this form should be used if the debtor has more than four investment accounts. In Column 1 of this schedule, each investment account should be itemized to include the name of the bank, the account name and the account number. The remaining columns are self-explanatory.

The Cash schedule reflects the amount of all currency on hand (i.e., funds which are not in a depository institution). An example is a petty cash fund.

To obtain the figure to be reported on Line 14, add the amounts shown at Line 5, Column 5; Line 12, Column 5; and Line 13. This total should agree with the amount reported on MOR-1, Line 3.

**MOR-6, PAYMENTS TO INSIDERS AND PROFESSIONALS  
AND POSTPETITION STATUS OF SECURED NOTES,  
LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS**

This form is separated into three schedules: payments to insiders, payments to professionals, and the postpetition status of secured notes, leases payable and adequate protection payments.

**PAYMENTS TO INSIDERS AND PROFESSIONALS**

**Insiders**

The schedule for payments to insiders itemizes all payments to insiders made during the postpetition period. For each insider, provide the following information.

- Column 1:** Itemize the names of the insiders who have been paid during the postpetition period. Up to five entries can be recorded on this schedule; additional copies of this form should be used if the debtor has more than five entries.
- Column 2:** Explain the type of payment (e.g., salary, bonus, commissions, car allowances, etc.).

**Column 3:** Enter the amount actually paid during the reporting period.

**Column 4:** Enter the aggregate amount paid during the postpetition period.

### **Professionals**

The schedule for payments to professionals reports payments which have been paid and/or accrued during the postpetition period for professionals. For each professional, provide the following information.

**Column 1:** Itemize the names of the professionals. Up to five entries can be recorded on this schedule; additional copies of this form should be used if the debtor has more than five entries.

**Column 2:** Enter the date(s) of the court order(s) authorizing the professional fees which were paid by the debtor during the reporting period.

**Column 3:** Enter the amount of all professional fees approved by the court during the reporting period.

**Column 4:** Enter the amount of professional fees actually paid during the reporting period.

The amount reported on Line 6, Column 4, should agree with the amount reported on MOR-3, Line 27.

**Column 5:** Enter the aggregate amount paid during the postpetition period.

**Column 6:** Enter the aggregate fees which have been incurred by the debtor during the postpetition period, but which remain unpaid as of the end of the reporting period. Include all fees incurred, whether or not they have been submitted to and/or approved by the court. The debtor will, in most instances, be required to make estimates when completing this column.

The amount reported on Line 6, Column 6, should agree with the amount reported on MOR-1, Line 20.

**POSTPETITION STATUS OF SECURED NOTES,  
LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS**

This schedule itemizes certain liabilities. The form provides an analysis of whether the debtor is current on its required payments to secured creditors and lessors (including landlords). For each creditor, provide the following information.

**Column 1:** Itemize all secured creditors, leases and rental agreements. Up to five entries can be recorded on this schedule; additional copies of this form should be used if the debtor has more than five entries.

**Column 2:** Enter the amount of the normal, scheduled monthly payment due, such as monthly rental fees or court approved adequate protection payments.

**Column 3:** Enter the amount paid during the reporting period.

The total of this column shown on Line 6 should agree with the amount reported on MOR-3, Line 15.

**Column 4:** Enter the aggregate amount of the unpaid, postpetition obligations which are due as of the end of the reporting period.

**MOR-7, QUESTIONNAIRE AND INSURANCE**

MOR-7 requires basic information about the debtor's assets and the debtor's insurance coverage.

The questionnaire portion is self-explanatory. For questions with affirmative responses, further explanation is required in the space provided or on additional sheets, if necessary.

**Insurance**

Questions 1 and 2 are self-explanatory. For questions with "No" responses, further explanation is required in the space provided or on additional sheets, if necessary.

Question 3 requires the itemization of the following information regarding installment payments for insurance coverage.

- |                                       |   |  |
|---------------------------------------|---|--|
| <b>Type of Policy</b>                 | - | Explain the nature of the insurance coverage, e.g., workmen's compensation, fire and theft, casualty, auto, etc.   |
| <b>Carrier</b>                        | - | Identify the name of the company and the agent that provide the insurance coverage.  |
| <b>Period Covered</b>                 | - | Enter the beginning and expiration dates of the insurance policy, e.g., for a policy that provides yearly coverage show the start date (say 6/1/XX) to the end date (5/31 of the following year).  |
| <b>Payment Amount &amp; Frequency</b> | - | Enter the amount of the installment payments, as well as the frequency with which such payments are required, e.g., for a policy which provides coverage from 6/1/XX to 5/31/XX and requires monthly payments of \$100, state "\$100/month." |

CASE NAME:
CASE NUMBER:
JUDGE:

ACCRUAL BASIS

02/13/95

UNITED STATES BANKRUPTCY COURT

\_\_\_\_\_ DISTRICT OF \_\_\_\_\_

\_\_\_\_\_ DIVISION

MONTHLY OPERATING REPORT

MONTH ENDING: \_\_\_\_\_, 199\_\_\_\_\_

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING MONTHLY OPERATING REPORT (ACCRUAL BASIS- 1 THROUGH ACCRUAL BASIS- 7) AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT AND COMPLETE. DECLARATION OF THE PREPARER (OTHER THAN RESPONSIBLE PARTY): IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.

RESPONSIBLE PARTY:

\_\_\_\_\_  
ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

\_\_\_\_\_  
TITLE

PRINTED NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

\_\_\_\_\_  
DATE

TELEPHONE NUMBER: \_\_\_\_\_

PREPARER:

\_\_\_\_\_  
ORIGINAL SIGNATURE OF PREPARER

\_\_\_\_\_  
TITLE

PRINTED NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

\_\_\_\_\_  
DATE

TELEPHONE NUMBER: \_\_\_\_\_

CASE NAME:
CASE NUMBER:

ACCRUAL BASIS- 1

02/13/95

# COMPARATIVE BALANCE SHEET

ASSETS	SCHEDULE AMOUNT	MONTH	MONTH	MONTH
1. UNRESTRICTED CASH				
2. RESTRICTED CASH				
3. TOTAL CASH				
4. ACCOUNTS RECEIVABLE (NET)				
5. INVENTORY				
6. NOTES RECEIVABLE				
7. PREPAID EXPENSES				
8. OTHER (ATTACH LIST)				
9. TOTAL CURRENT ASSETS				
10. PROPERTY, PLANT & EQUIPMENT				
11. LESS: ACCUMULATED DEPRECIATION / DEPLETION				
12. NET PROPERTY, PLANT & EQUIPMENT				
13. DUE FROM INSIDERS				
14. OTHER ASSETS - NET OF AMORTIZATION (ATTACH LIST)				
15. OTHER (ATTACH LIST)				
16. TOTAL ASSETS				
POSTPETITION LIABILITIES				
17. ACCOUNTS PAYABLE				
18. TAXES PAYABLE				
19. NOTES PAYABLE				
20. PROFESSIONAL FEES				
21. SECURED DEBT				
22. OTHER (ATTACH LIST)				
23. TOTAL POSTPETITION LIABILITIES				
PREPETITION LIABILITIES				
24. SECURED DEBT				
25. PRIORITY DEBT				
26. UNSECURED DEBT				
27. OTHER (ATTACH LIST)				
28. TOTAL PREPETITION LIABILITIES				
29. TOTAL LIABILITIES				
EQUITY				
30. PREPETITION OWNERS' EQUITY				
31. POSTPETITION CUMULATIVE PROFIT OR (LOSS)				
32. DIRECT CHARGES TO EQUITY (ATTACH EXPLANATION)				
33. TOTAL EQUITY				
34. TOTAL LIABILITIES & OWNERS' EQUITY				

CASE NAME:

CASE NUMBER:

ACCRUAL BASIS- 2

02/13/95

**INCOME STATEMENT**

	MONTH	MONTH	MONTH	QUARTER TOTAL
<b>REVENUES</b>				
1. GROSS REVENUES				
2. LESS: RETURNS & DISCOUNTS				
3. NET REVENUE				
<b>COST OF GOODS SOLD</b>				
4. MATERIAL				
5. DIRECT LABOR				
6. DIRECT OVERHEAD				
7. TOTAL COST OF GOODS SOLD				
8. GROSS PROFIT				
<b>OPERATING EXPENSES</b>				
9. OFFICER / INSIDER COMPENSATION				
10. SELLING & MARKETING				
11. GENERAL & ADMINISTRATIVE				
12. RENT & LEASE				
13. OTHER (ATTACH LIST)				
14. TOTAL OPERATING EXPENSES				
15. INCOME BEFORE NON- OPERATING INCOME & EXPENSE				
<b>OTHER INCOME &amp; EXPENSES</b>				
16. NON- OPERATING INCOME (ATT. LIST)				
17. NON- OPERATING EXPENSE (ATT. LIST)				
18. INTEREST EXPENSE				
19. DEPRECIATION / DEPLETION				
20. AMORTIZATION				
21. OTHER (ATTACH LIST)				
22. NET OTHER INCOME & EXPENSES				
<b>REORGANIZATION EXPENSES</b>				
23. PROFESSIONAL FEES				
24. U.S. TRUSTEE FEES				
25. OTHER (ATTACH LIST)				
26. TOTAL REORGANIZATION EXPENSES				
27. INCOME TAX				
28. NET PROFIT (LOSS)				

CASE NAME:
CASE NUMBER:

ACCRUAL BASIS- 3

02/13/95

CASH RECEIPTS AND DISBURSEMENTS	MONTH	MONTH	MONTH	QUARTER TOTAL
1. CASH - BEGINNING OF MONTH				
RECEIPTS FROM OPERATIONS				
2. CASH SALES				
COLLECTION OF ACCOUNTS RECEIVABLE				
3. PREPETITION				
4. POSTPETITION				
5. TOTAL OPERATING RECEIPTS				
NON - OPERATING RECEIPTS				
6. LOANS & ADVANCES (ATTACH LIST)				
7. SALE OF ASSETS				
8. OTHER (ATTACH LIST)				
9. TOTAL NON- OPERATING RECEIPTS				
10. TOTAL RECEIPTS				
11. TOTAL CASH AVAILABLE				
OPERATING DISBURSEMENTS				
12. NET PAYROLL				
13. PAYROLL TAXES PAID				
14. SALES, USE & OTHER TAXES PAID				
15. SECURED / RENTAL / LEASES				
16. UTILITIES				
17. INSURANCE				
18. INVENTORY PURCHASES				
19. VEHICLE EXPENSES				
20. TRAVEL				
21. ENTERTAINMENT				
22. REPAIRS & MAINTENANCE				
23. SUPPLIES				
24. ADVERTISING				
25. OTHER (ATTACH LIST)				
26. TOTAL OPERATING DISBURSEMENTS				
REORGANIZATION EXPENSES				
27. PROFESSIONAL FEES				
28. U.S. TRUSTEE FEES				
29. OTHER (ATTACH LIST)				
30. TOTAL REORGANIZATION EXPENSES				
31. TOTAL DISBURSEMENTS				
32. NET CASH FLOW				
33. CASH - END OF MONTH				



CASE NUMBER:

PAGE \_\_\_\_\_ OF \_\_\_\_\_

02/13/95

## MONTH: \_\_\_\_\_

(ATTACH ADDITIONAL SHEETS IF NECESSARY)

## CASH DISBURSEMENTS

CASH DISBURSEMENTS			
DATE	PAYEE	PURPOSE	AMOUNT
1. TOTAL CASH DISBURSEMENTS			

### BANK ACCOUNT DISBURSEMENTS

[illegible]**TOTAL DISBURSEMENTS FOR THE MONTH (1. + 2.)**

\* Transfers between accounts should be subtracted from Total Bank Account Disbursements, i.e., a check written from the general account to the payroll account or tax account. Likewise, checks written for cash or petty cash should be subtracted and shown as cash disbursements in item 1.

CASE NAME:
CASE NUMBER:

ACCRUAL BASIS- 4

02/13/95

ACCOUNTS RECEIVABLE AGING	SCHEDULE AMOUNT	MONTH	MONTH	MONTH
1. 0- 30				
2. 31- 60				
3. 61- 90				
4. 91+				
5. TOTAL ACCOUNTS RECEIVABLE				
6. AMOUNT CONSIDERED UNCOLLECTIBLE				
7. ACCOUNTS RECEIVABLE (NET)				

AGING OF POSTPETITION TAXES AND PAYABLES					MONTH:
TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL
1. FEDERAL					
2. STATE					
3. LOCAL					
4. OTHER (ATTACH LIST)					
5. TOTAL TAXES PAYABLE					
6. ACCOUNTS PAYABLE					

STATUS OF POSTPETITION TAXES					MONTH:
FEDERAL	BEGINNING TAX LIABILITY*	AMOUNT WITHHELD AND/OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY	
1. WITHHOLDING**					
2. FICA- EMPLOYEE**					
3. FICA- EMPLOYER**					
4. UNEMPLOYMENT					
5. INCOME					
6. OTHER (ATTACH LIST)					
7. TOTAL FEDERAL TAXES					
STATE AND LOCAL					
8. WITHHOLDING					
9. SALES					
10. EXCISE					
11. UNEMPLOYMENT					
12. REAL PROPERTY					
13. PERSONAL PROPERTY					
14. OTHER (ATTACH LIST)					
15. TOTAL STATE & LOCAL					
16. TOTAL TAXES					

\* The beginning tax liability should represent the liability from the prior month or, if this is the first operating report, the amount should be zero.

\*\* Attach photocopies of IRS Form 6123 or your FTD coupon and payment receipt to verify payment or deposit.

CASE NAME:

ACCRUAL BASIS- 5

CASE NUMBER:

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The debtor in possession must complete the reconciliation below for each bank account, including all general, payroll and tax accounts, as well as all savings and investment accounts, money market accounts, certificates of deposit, government obligations, etc. Accounts with restricted funds should be identified by placing an asterisk next to the account number. Attach additional sheets if necessary.

MONTH: \_\_\_\_\_

BANK RECONCILIATIONS		Account #1	Account #2	Account #3	
A. BANK:					TOTAL
B. ACCOUNT NUMBER:					
C. PURPOSE (TYPE):					
1. BALANCE PER BANK STATEMENT*					
2. ADD: TOTAL DEPOSITS NOT CREDITED					
3. SUBTRACT: OUTSTANDING CHECKS					
4. OTHER RECONCILING ITEMS					
5. MONTH END BALANCE PER BOOKS					
6. NUMBER OF LAST CHECK WRITTEN					

## INVESTMENT ACCOUNTS

BANK, ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
7.				
8.				
9.				
10.				
11. TOTAL INVESTMENTS				

## CASH

12. CURRENCY ON HAND	
13. TOTAL CASH - END OF MONTH	

\* Attach photocopies of bank statements for all accounts.

CASE NAME:

CASE NUMBER:

ACCRUAL BASIS- 6

02/13/95

MONTH: \_\_\_\_\_

**PAYMENTS TO INSIDERS AND PROFESSIONALS**

OF THE TOTAL DISBURSEMENTS SHOWN FOR THE MONTH, LIST THE AMOUNT PAID TO INSIDERS (AS DEFINED IN SECTION 101(31) (A)- (F) OF THE U.S. BANKRUPTCY CODE) AND TO PROFESSIONALS. ALSO, FOR PAYMENTS TO INSIDERS, IDENTIFY THE TYPE OF COMPENSATION PAID (e.g. SALARY, BONUS, COMMISSIONS, INSURANCE, HOUSING ALLOWANCE, TRAVEL, CAR ALLOWANCE, ETC.). ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
1.			
2.			
3.			
4.			
5.			
6. TOTAL PAYMENTS TO INSIDERS			

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID *
1.					
2.					
3.					
4.					
5.					
6. TOTAL PAYMENTS TO PROFESSIONALS					

\* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

**POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS**

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POSTPETITION
1.			
2.			
3.			
4.			
5.			
6. TOTAL			

**ACCRUAL BASIS- 7**

02/13/95

MONTH: \_\_\_\_\_

	YES	NO
1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD?		
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?		
3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES?		
4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?		
5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY?		
6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?		
7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?		
8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE?		
9. ARE ANY OTHER POSTPETITION TAXES PAST DUE?		
10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?		
11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?		
12. ARE ANY WAGE PAYMENTS PAST DUE?		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES," PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

	YES	NO
1. ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT?		
2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?		
3. PLEASE ITEMIZE POLICIES BELOW.		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO," OR IF ANY POLICIES HAVE BEEN CANCELLED OR NOT RENEWED DURING THIS REPORTING PERIOD, PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

[illegible]